

interconnection service order standards, and 611 repair service, as set forth in the order below.

29. Since it is unclear as to how long the Intercompany Interconnection Held Service Order (IIHSO) reporting requirement set forth in the ordering paragraphs below will remain necessary, no sunset clause shall be established at this time for IIHSO reporting requirements.

30. Public Advocates' proposals concerning bilingual service requirements for customers to whom service was sold in English only and for bilingual marketing and outreach should be considered in our Universal Service proceeding, R.95-01-020/I.95-01-021.

31. Since the facilities-based CLCs are only beginning the process of obtaining customers, waiting for a decision in the Universal Service docket to address Public Advocates' bilingual service proposals is unlikely to have any adverse impact.

32. The practice of redlining is contrary to the public interest goals of this Commission and should be prohibited.

33. Carriers first need to be given a fair chance to develop a customer base which draws from all of California's diverse population before we can meaningfully examine whether any carriers are intentionally engaging in redlining.

34. Public Advocates' proposal to investigate at the outset of local competition all CLCs' service territory maps for redlining is premature at this time. Public Advocates' other proposals concerning redlining should be addressed in the Universal Service proceeding.

INTERIM ORDER

IT IS ORDERED that:

1. The following rules contained in Appendix C and elsewhere in this decision for interconnection and related arrangements are

adopted herein and are applicable to all competitive local carriers (CLCs) and Pacific Bell (Pacific) and GTE California (GTEC).

2. Competing carriers for local exchange service shall use negotiated contracts to establish the terms and conditions of interconnection of their respective networks.

3. Parties' proposed interconnection agreements shall be evaluated by the Commission in terms of how well they achieve the Commission's preferred outcomes as set forth in Appendix A.

4. The Commission will approve contracts that do not contain the "preferred outcomes" as long as the contract is mutually agreeable to the contracting parties and passes other Commission tests outlined in this decision.

5. Each CLC and LEC shall separately measure its total volumes and percentage of local usage sent to each carrier it interconnects with and then exchange its measurements with that carrier as well as with CACD for monitoring purposes. Such data shall be subject to independent verification.

6. Each party to an interconnection agreement shall negotiate in good faith.

7. Parties shall work towards the development of joint forecasting responsibilities for traffic utilization over trunk groups.

8. In the event a CLC requests an interconnection via MF signalling to an end-office that is not SS7 capable, the LECs shall accommodate such requests.

9. After parties have reached agreement on an interconnection contract, parties shall file the contract by advice letter for expedited review under the procedure adopted in this decision.

10. The expedited contract review process established by this order will only apply to interconnection issues addressed in this decision.

11. The Commission shall establish a Dispute Resolution Procedure (DRP) within this docket, in which parties shall adhere to the following:

- a. Parties shall seek to resolve any disputes informally in good faith, including escalation to the executive level within each company, before bringing the matter before the Commission.
- b. If informal resolution fails, parties may file motions seeking mediation with an assigned ALJ, assisted by CACD staff. Motions shall be served on parties to the dispute, the assigned ALJ, the Director of CACD, and the Docket Office. The ALJ shall be guided by the preferred outcomes as criteria in reviewing and ruling on the dispute. The Docket office will notice the motion in the Daily Calendar.
- c. If mediation fails, the ALJ shall direct parties to submit short pleadings and then issue a written ruling to resolve the dispute.
- d. Parties may file objections to the written ruling as formal complaints under the expedited complaint process described in this decision.
- e. In an expedited complaint, parties challenging an unfavorable ALJ ruling will bear a heavy burden of proof. In addition, parties must show they have pursued each step of the process described above.
- f. The ALJ may solicit comments and testimony from all parties to the dispute if a dispute raises generic issues or affects others.
- g. Any party may file a motion suggesting improvement to the dispute resolution procedure which shall be served on all parties in the docket.
- h. The Commission's rules of practice and procedure should be followed at all times during the DRP.

12. Contract provisions that include additional features beyond interconnection, such as directory assistance, unbundled loops, white and yellow pages shall be filed as General Order (GO) 96-A contracts and will be processed in accordance with those rules subject to the normal protest and response period.

13. At the time of filing proposed contracts, parties shall include all the information normally required for contracts filed under GO 96-A.

14. Contract filings which contain terms and conditions substantially different from the preferred outcomes outlined in Appendix A shall substantiate why these terms and conditions lead to a more economic and/or efficient outcome and are in the public interest.

15. Under the expedited contract approval process adopted in this order, interested parties shall file any protests within 7 calendar days, with responses due within 5 calendar days.

16. Protests and responses to proposed interconnection contracts shall address only anticompetitive or unduly discriminatory provisions of the contract.

17. CACD will review the protests and determine the need for the Commission to adopt a formal resolution.

18. Copies of the advice letter including the contract shall be served upon the normal advice letter service list and upon all LECs and certificated CLCs.

19. CACD shall review filed contracts for compliance with our stated requirements and policy objectives, and, if appropriate, reject a contract by letter within 14 calendar days from the date filed.

20. E-911 service and access to customer listing databases must be offered by Pacific Bell (Pacific) and GTE California (GTEC) to any certificated CLC under reasonable terms and conditions.

21. GTEC and Pacific shall tariff E-911 offerings.

22. GTEC shall concur in Pacific's tariff for these services, until such time it has an approved tariff on file.

23. GTEC is authorized to request Z-factor recovery for the difference between rates charged under Pacific's tariff and GTEC's actual cost of providing this service.

24. Pacific and GTEC shall undertake the activities set forth in this decision to provide the CLCs with E-911 interconnection services by the commencement of local exchange competition on January 1, 1996.

25. Each CLC shall provide information to allow the Automatic Location Identification (ALI) record displayed at the Public Safety Answering Point (PSAP) to contain two new data fields to assist in the processing of E-911 calls from remote call forwarded (RCF) phone lines: (1) the Remote Call Forwarded Field to contain the RCFed ten-digit number; and (2) the "originating" service telephone number which would appear in the Automatic Number Identification field of the ALI record.

26. Pacific and GTEC shall cooperate with the CLCs to ensure that a new, five-character Telephone Company Identification (TCI) field will be added to the ALI screen identify the telephone company that provides service to the calling line.

27. Before January 15, 1996, Pacific and GTEC shall inform PSAPs in their own territories and those within the territories of the smaller LECs that serve Pacific's and GTEC's customers about the changes to the ALI screen due to RCF.

28. Pacific and GTEC shall coordinate on a consistent PSAP education effort.

29. Both facilities-based and resale CLCs shall provide their residential customers access to E-911 service following disconnection of service due to nonpayment (i.e., warm line).

30. Facilities-based CLCs and LECs shall offer warm line service to resale CLCs.

31. A resale CLC's obligation to provide warm line service to a customer shall continue as long as the CLC maintains an arrangement for resale service to the end user's premises.

32. Following termination of the resale arrangement, the obligation to provide warm line service shall revert to the underlying facilities-based CLC or LEC.

33. The CLC responsible for maintaining warm line service to a number disconnected for nonpayment shall not be required to maintain any interim number portability service on the telephone number which was originally ported to that line.

34. When interim number portability is discontinued, the CLC shall provide the 911 data base administrator with any information necessary to ensure a proper and timely response to a 911 call.

35. To assure comparable access to E-911 by all CLCs, both Pacific and GTEC are required to offer E-911 interconnections under nondiscriminatory terms and conditions by tariff.

36. Pacific and GTEC shall provision E-911 trunks within 30 business days from when ordered.

37. LECs shall update their databases within 48 hours of receiving the data from the CLC.

38. If the LEC detects an error in the CLC-provided data, the data shall be returned to the CLC within 48 hours after receiving the data.

39. Pacific and GTEC shall ship Master Street Address Guide (MSAG) data within 72 business hours from the time requested.

40. The LECs shall provide the MSAG data on paper, diskette, magnetic tape, or in a format suitable for use with desktop computers. Each LEC may charge, on a nondiscriminatory basis, its cost for providing MSAG data.

41. Pacific and GTEC shall provide maps of E-911 selective router tandem locations on a nondiscriminatory basis.

42. Pacific and GTEC shall charge their cost for provisioning the E-911 tandem maps as set forth in Pacific tariffs and each of GTEC's contracts.

43. CLCs shall provide a 24-hour toll free contact number to a live operator where PSAPs can obtain subscriber information on or after January 1, 1996, but before offering service to customers.

44. Pacific shall file an E-911 tariff by Advice Letter which will become effective on 5 days' notice consistent with the rules in this decision.

45. GTEC shall file an E-911 tariff not later than January 31, 1996 by advice letter consistent with GO 96-A. GTEC shall concur in Pacific's tariff until such time that it has an approved tariff. GTEC may request Z-factor recovery for the difference between the rates charged under Pacific's tariff and GTEC's actual cost of providing the service.

46. An industry-led task force shall be formed to monitor, enforce, and distribute the subscriber record access telephone numbers and 5-digit company codes, to be coordinated by CACD. CACD shall report back to us within 90 days on the progress in forming the industry-led task force.

47. As a prerequisite to initiating service, each certificated CLC shall be equipped to respond promptly to its customers' 611 repair service calls either through its own service technicians or through contractual arrangements.

48. Each CLC shall be required to disclose the procedure for ordering repair service at the time the customer initiates service as well as on each monthly customer bill.

49. LECs and CLCs shall institute a referral system to direct customers who dial 611 to the appropriate carrier for service.

50. The service quality standards for intercompany interconnection held orders shall be included within a separate subsection of GO 133-B, designated as subsection 6.

51. Both CLCs and LECs shall be subject to the service quality standards for Interconnection Service Orders prescribed under GO 133-B.

52. An Intercompany Interconnection Held Service Order (IIHSO) shall be reported when the service is not provided within 15 days of the mutually agreed-upon due date.

53. Local carriers shall file their IIHSOs on the last day of the following month.

54. Pacific's proposed form for reporting on IIHSOs shall be adopted with the one minor modification of adding an additional reporting interval.

55. The IIHSO report shall contain the following information: (1) the service order number; (2) the due date; (3) the company requesting interconnection; (4) whether the IIHSO is overdue by 15-20, 21-25, 26-30, 31-35, 36-40, 40-45, and over 45 days; (5) the reporting unit (wire center or plant installation center); (6) whether the IIHSO is pending or complete; and (7) an explanation for the IIHSO.

56. The LEC's reports shall be broken down by individual CLCs in order to help assess if a particular CLC is being treated in a discriminatory manner by a LEC.

57. IIHSO service reporting shall be instituted beginning January 1, 1996, so that the Commission may monitor interconnection service quality from the start of local exchange competition.

58. To reduce the potential number of disputes over held service orders, an "Intercompany Interconnection Service Order" shall be defined as "a request for interconnection of trunks and/or facilities between LECs and/or CLCs."

59. As an incentive to provide timely service order completion, all local carriers shall refund nonrecurring interconnection charges for service orders held 45 days beyond the mutually agreed upon service date.

60. The refund provision shall not apply if service order completion was delayed due to natural disasters, severe weather, labor disputes, or civil disturbances.

61. CLCs ordering interconnection service with no prior credit record shall pay a deposit equal to an estimated two months of recurring flat-rated or usage-based interconnection charges based on the number and type of interconnection facilities ordered from the LEC.

62. Customer deposits collected by a CLC shall be deposited in a protected, segregated interest-bearing escrow account subject to Commission oversight.

63. Local carriers shall inform each new customer in writing and in the language in which the sale was made, of the availability, terms, and statewide rates of lifeline telephone service and basic service.

64. On an ongoing basis, each local carrier shall provide bills, notices, and access to bilingual customer service representatives in the languages in which prior sales were made.

This order is effective today.

Dated December 20, 1995, at San Francisco, California.

DANIEL Wm. FESSLER
President
P. GREGORY CONLON
JESSIE J. KNIGHT, JR.
HENRY M. DUQUE
JOSIAH L. NEEPER
Commissioners

Appendix A**Preferred Outcomes for Interconnection Contracts**

Category	Issue	Preferred Outcomes
Technical Provisions	Point of Interconnection	Parties should compensate each other for use of each others networks*
		Single, mutually agreed upon POI
		Maintenance plans with clear responsibilities and cost sharing
	One-Way versus Two-Way Trunks	Two-way trunks
		Carriers should exchange percentage local usage (PLUs) quarterly. Carriers may request audits of PLUs
		Interconnect at each access tandem in a LATA
	Signalling Protocol	SS7 is the standard. MF signalling allowed for end-offices without SS7 capability
	Bill and Keep Applicability	Bill and keep includes EAS and Zum Zone 3. 800 number, busy line verification, busy line interrupt and directory assistance are not subject to bill and keep*
Non-Technical Provisions	Confidential Information	Symmetrical rights and obligations
	Liability	Symmetrical liability for LECs and CLCs
	Termination	No unilateral power. Must provide notice and opportunity to dispute

*Note: The Commission has established an interim policy of bill and keep for call termination rates.

(End of Appendix A)

APPENDIX B

Page 1

List of Acronyms

ALI	- Automatic Location Identification
ALJ	- Administrative Law Judge
AVRU	- Automated Voice Response Unit
CACD	- Commission Advisory and Compliance Division
CCSN	- Customer Contact Services Node
CESAR	- Carrier Enhanced System for Access Requests
CLCs	- Competitive Local Carriers
Coalition	- The California Telecommunications Coalition
CPUC	- California Public Utilities Commission
D.	- Decision
DGS	- Department of General Services
DRA	- Division of Ratepayer Advocates
DRP	- Dispute Resolution Procedure
EAS	- Extended Area Service
FEA	- Federal Executive Agencies
FGD	- Feature Group D
GTEC	- GTE of California
GO	- General Order
IIHSOs	- Intercompany Interconnection Held Service Orders
IISO	- Intercompany Interconnection Service Order
INP	- Interim Number Portability
LATA	- Local Access and Transport Area
LECs	- Local Exchange Carriers

APPENDIX B
Page 2

LISA	- Local Interconnection Serving Arrangement
MFS	- Metropolitan Fiber Systems
MSAG	- Master Street Address Guide
OP	- Ordering Paragraph
ORP	- Originating Responsibility Plan
Pacific	- Pacific Bell
PLU	- Percentage Local Usage
POIs	- Points of Interconnections
PSAP	- Public Safety Answering Point
PU	- Public Utilities
RCF	- Remote Call Forwarding
RCFed	- Remote Call Forwarded
TCI	- Telephone Company Identification
TN-ESN	- Telephone Number to Emergency Service Number
TURN	- Toward Utility Rate Normalization
UCAN	- Utility Consumers Action Network

(END OF APPENDIX B)

12/20/95

APPENDIX C

Page 1

**Initial Rules for Local Exchange Service
Competition in California**

[Note: Items in Boldface type are amendments to the rules issued in D.95-07-054, Appendix A.]

1. **PUBLIC POLICY PRINCIPLES AND OBJECTIVES**

A. It is the policy of the California Public Utilities Commission (Commission) that competition in the provision of local exchange telecommunications services is in the public interest.

B. It is the policy of the Commission that, in an environment of competition for local exchange telecommunications services, telecommunications users shall receive ongoing disclosure of the rates, terms and conditions of service from telecommunications providers and shall benefit from a clear and comprehensive set of consumer protection rules.

C. It is the policy of the Commission that interconnection of the networks of Competitive Local Carriers (CLCs) and Local Exchange Carriers (LECs) should be accomplished in a technically and economically efficient manner.

D. It is the policy of the Commission that all telecommunications providers shall be subject to appropriate regulation designed to safeguard against anticompetitive conduct.

E. It is the policy of the Commission that service provider local number portability should be accomplished.

F. It is the policy of the Commission that networks of dominant providers of local exchange telecommunications services should be unbundled in such a manner that a carrier is provided access to essential facilities on a nondiscriminatory standalone basis.

12/20/95

APPENDIX C

Page 2

G. It is the policy of the Commission that customer privacy rights and concerns be protected in an environment of local exchange competition.

H. It is the policy of the Commission to ensure that local exchange competition does not degrade the reliability of the telecommunications network.

I. It is the policy of the Commission to encourage intercarrier coordination and cooperation.

J. It is the policy of the Commission to monitor, on a periodic basis, the market conditions of the local exchange telecommunications market and reevaluate its policies on local exchange competition accordingly.

K. It is the policy of this Commission that Commission-approved tariffs for call termination should reflect costs.

2. SCOPE OF RULES

These interim rules apply to the provision of local exchange telecommunications services by CLCs, and where applicable, LECs. LEC as used in these rules refers to only Pacific Bell and GTE California, until further action by the Commission.

12/20/95

APPENDIX C .

Page 3

3. DEFINITIONS

A. CLC means a common carrier that is issued a Certificate of Public Convenience and Necessity **effective on or after January 1, 1996**, to provide local exchange telecommunications service for a geographic area specified by such carrier.

B. LEC means any incumbent carrier listed in Appendix C attached hereto.

C. Minor rate increases are those which are both less than 1% of the CLC's total California intrastate revenues and less than 5% of the affected service's rates. Increases shall be cumulative, such that if the sum of the proposed rate increase and rate increases that took effect during the preceding 12-month period for any service exceeds either parameter above, then the filing shall be treated as a major increase.

D. Major rate increases are increases which are greater than the increases described above.

E. Network component means a functional capability of a network, disaggregated from other network capabilities and made available to other carriers and end users separately from all other network capabilities.

F. Nondominant interexchange carrier (NDIEC) means an interexchange carrier that is considered nondominant under the Commission's decisions.

G. NXX Rating Point means the end office/wire center location designated in the Local Exchange Routing Guide as the assignment point for an NPA-NXX code.

H. NXX Service Area means the geographically-bounded area designated as the area within which a LEC or CLC may provide local exchange telecommunication services bearing a particular NPA-NXX designation.

I. Local telephone number portability means the ability of end users to retain their existing telephone numbers when

12/20/95

APPENDIX C

Page 4

remaining at a location, or changing their location within the geographic area served by the initial carrier's serving central office, regardless of the LEC or CLC selected.

J. Local exchange loop facility (also known as a basic level network access channel) means a transmission path capable of delivering analog voice grade signals or digital signals at less than 1.544 Mbps between the network interface at a customer's premises and the main distribution frame or any other point of interconnection to the LEC network.

K. A port (also known as a basic level network access channel connection) is the interface between the loop and the appropriate LEC Central Office switching equipment.

L. Nonfacilities-based CLCs are those which do not directly own, control, operate, or manage conduits, ducts, poles, wires, cables, instruments, switches, appurtenances, or appliances in connection with or to facilitate communications within the local exchange portion of the public switched network.

M. Facilities-based CLCs are those which directly own, control, operate, or manage conduits, ducts, poles, wires, cables, instruments, switches, appurtenances, or appliances in connection with or to facilitate communications within the local exchange portion of the public switched network.

N. Service territory means the area in which a CLC is authorized to provide service.

O. An intercompany interconnection service order is a request for interconnection of trunks and/or facilities between CLCs and/or LECs.

P. Warm-line refers to residential customer access to E-911 service after disconnection for nonpayment and for newly installed lines.

4. ENTRY, CERTIFICATION, AND REGULATION OF CLCs

A. The Commission shall grant a Certificate of Public Convenience and Necessity (CPCN) to any applicant that possesses

12/20/95

APPENDIX C

Page 5

the requisite managerial qualifications, financial resources, and technical competence to provide local exchange telecommunications services.

B. The Commission shall apply the following financial standards to the certification of CLCs:

- (1) All new applicants seeking CPCNs for authority to become facilities-based CLCs, as defined in this decision, shall demonstrate in their applications that they possess a minimum of \$100,000 of cash or cash equivalent as defined below, reasonably liquid and readily available to meet the firm's start-up expenses. Such applicants shall also document any deposits required by local exchange companies or interexchange carriers (IECs) and demonstrate that they have additional resources to cover all such deposits.
- (2) All new applicants seeking CPCNs for authority to become nonfacilities-based CLCs, as defined in these rules, shall demonstrate in their applications that they possess a minimum of \$25,000 of cash or cash equivalent as defined below, reasonably liquid and readily available to meet the new firm's expenses. Such applicants shall also document any deposits required by LECs or IECs and demonstrate that they have additional resources to cover all such deposits.
- (3) Applicants for CPCNs as CLCs who have profitable interstate operations may meet the minimum financial requirement by submitting an audited balance sheet and income statement demonstrating sufficient cash flow, as authorized in Decision (D.) 91-10-041 for NDIECs.
- (4) New applicants for CPCNs as CLCs shall be permitted to use any of the following financial instruments to satisfy the applicable unencumbered cash requirements established by this order.

12/20/95

APPENDIX C

Page 6

- (a) Cash or cash equivalent, including cashier's check, sight draft, performance bond proceeds, or traveler's checks;
- (b) Certificate of deposit or other liquid deposit, with a reputable bank or other financial institution;
- (c) Preferred stock proceeds or other corporate shareholder equity, provided that use is restricted to maintenance of working capital for a period of at least twelve (12) months beyond certification of the applicant by the Commission;
- (d) Letter of credit, issued by a reputable bank or other financial institution, irrevocable for a period of at least twelve (12) months beyond certification of the applicant by the Commission;
- (e) Line of credit or other loan, issued by a reputable bank or other financial institution, irrevocable for a period of at least twelve (12) months beyond certification of the applicant by the Commission, and payable on an interest-only basis for the same period;
- (f) Loan, issued by a qualified subsidiary, affiliate of applicant, or a qualified corporation holding controlling interest in the applicant, irrevocable for a period of at least twelve (12) months beyond certification of the applicant by the Commission, and payable on an interest-only basis for the same period;
- (g) Guarantee, issued by a corporation, copartnership, or other person or association, irrevocable for a period of at least twelve (12) months beyond certification of the applicant by the Commission;

12/20/95

APPENDIX C

Page 7

- (h) Guarantee, issued by a qualified subsidiary, affiliate of applicant, or a qualified corporation holding controlling interest in the applicant, irrevocable for a period of at least twelve (12) months beyond the certification of the applicant by the Commission.
- (5) The definitions of certain of the financial instruments listed in 4.B (4) and our intent on nondiscriminatory application of these definitions are clarified as follows:
- (a) All unencumbered instruments listed in 4.a. through 4.h. above will be subject to verification and review by the Commission prior to and for a period of twelve (12) months beyond certification of the applicant by the Commission. Failure to comply with this requirement will void applicant's certification or result in such other action as the Commission deems in the public interest, including assessment of reasonable penalties. (See PU Code §§ 581 and 2112.)
 - (b) Applicants for CPCNs as nonfacilities-based CLCs shall assure that every issuer of a letter of credit, line of credit, or guarantee to applicant will remain prepared to furnish such reports to applicant for tendering to the Commission at such time and in such form as the Commission may reasonably require to verify or confirm the financial responsibility of applicant for a period of at least twelve (12) months after certification of the applicant by the Commission.
 - (c) All information furnished to the Commission for purposes of compliance with this requirement will be available for public inspection or made public, except in cases where a showing is made of a compelling need

12/20/95

APPENDIX C

Page 8

to protect it as private or proprietary information.

C. The Commission shall apply the following other standards to its regulation of CLCs:

- (1) Applicants which currently hold CPCNs as telecommunications providers should apply as prescribed herein to have their current authority expanded to include operating as a CLC.
- (2) Applicants will be required to comply with CEQA as specified in Rule 17.1 of the Commission's Rules of Practice and Procedure
- (3) If a CLC is 90 or more days late in filing the annual report required by General Order (GO) 104-A or in remitting any current or future Commission-mandated surcharge, including but not limited to Universal Lifeline Telephone Service Fund (Public Utilities (PU) Code § 879), DEAF Trust Fund (PU Code § 2881(d), the California High Cost Fund (PU Code § 739.3), or the user fees on intrastate revenues (PU Code §§ 431-435), the Commission Advisory and Compliance Division (CACD) shall prepare a resolution for the Commission's consideration revoking the CLC's CPCN, unless the CLC has received written permission from the CACD to file or remit late.

D. The CACD shall on or before January 1, 1997, and at least one time each year thereafter, prepare a list of all current CLCs in good standing operating in California, including addresses, phone numbers, and the name of the responsible contact person at each such utility, and then disseminate that list to all other telecommunications utilities including the local exchange companies and IECs and will provide the list at the Commission's standard per page charge to any other interested party having requested such list.

E. CLCs shall be subject to the following tariff and contract filing, revision and service pricing standards:

12/20/95

APPENDIX C

Page 9

- (1) Uniform rate reductions for existing tariff services shall become effective on five (5) working days' notice to the Commission. Customer notification is not required for rate decreases.
- (2) Uniform major rate increases for existing tariff services shall become effective on thirty (30) days' notice to the Commission, and shall require bill inserts, or a message on the bill itself, or first class mail notice to customers at least 30 days in advance of the pending rate increase.
- (3) Uniform minor rate increases shall become effective on not less than five (5) working days' notice to the Commission. Customer notification is not required for such minor rate increases.
- (4) Advice letter filings for new services and for all other types of tariff revisions, except changes in text not affecting rates or relocations of text in the tariff schedules, shall become effective on forty (40) days' notice to the Commission.
- (5) Advice letter filings revising the text or location of text material which do not result in an increase in any rate or charge shall become effective on not less than five (5) days' notice to the Commission.
- (6) Contracts shall be subject to GO 96-A rules for NDIECs, **except interconnection contracts.**
- (7) CLCs shall file tariffs in accordance with PU Code Section 876.

F. The following regulations shall apply to CLCs:

- (1) CLCs shall be required to serve customers requesting service within their designated service territory on a nondiscriminatory basis, but shall not be required to have the same service territory as LEC service territories;

12/20/95

APPENDIX C

Page 10

- (2) Facilities-based CLCs shall at a minimum serve all customers who request service and whose premises are within 300 feet of the CLC's transmission facilities used to provide service so long as the CLC can reasonably obtain access to the point of demarcation on the customer's premises, but the CLC shall not be required to build out facilities beyond such 300 feet.
- (3) CLCs shall file service territory maps with the Commission that detail the area in which the CLC is authorized to provide service.
- (4) CLCs shall file quarterly a written description or a map that describes its existing physical facilities.
- (5) For any interexchange carrier which subscribes to a CLC's switched access services, the CLC is required to provide 1+ presubscription or 10XXX equal access consistent with the equal access rules of this Commission and of the Federal Communications Commission.
- (6) Facilities-based CLCs are required to make all telecommunications service offerings available for resale, only within the same class of service, on a nondiscriminatory basis.
- (7) CLCs shall be subject to the obligations of public utilities under the PU Code including but not limited to, §§ 451 and 453, dealing with the provision of just and reasonable rates and charges;
- (8) CLCs must obtain Commission approval before discontinuing service in any part of their service area.
- (9) CLCs shall provide E-911 service.

12/20/95

APPENDIX C

Page 11

(10) To ensure that qualified customers are provided with telecommunication devices for the deaf (TDDs) or other telecommunication equipment under the Deaf and Disabled Telecommunications Program (DDTP) program:

- (a) CLCs should contract with Pacific Bell, GTE of California, the California Telephone Association or Thomson Consulting to offer equipment and services to eligible deaf and disabled customers. These contracts should be interim pending the outcome of continued workshops to determine how CLCs should participate in the DDTP over the long term.
- (b) CLCs shall specify in their tariffs how they will offer DDTP services.

(11) CLCs shall respond promptly to their customer's 611 repair calls by either using their own service technicians or through contractual arrangements. The CLC shall disclose the procedure for ordering repair service at the time the customer initiates service as well as on the monthly customer bill.

- (a) LECs shall institute a referral system to direct CLC customers who dial "611" to the appropriate CLC for service or to the Commission's Consumer Affairs Branch if the CLC's identity is unknown.
- (b) CLCs shall institute a similar referral system to direct calls of other competitor's customers seeking repair service.

(12) CLCs shall be subject to the consumer protection rules contained in Appendix B of D.95-07-054.

(13) CLCs shall provide the following reports to the Commission:

12/20/95

APPENDIX C

Page 12

- (a) On a quarterly basis, a copy of all written notices provided to customers, in accordance with Rules 1, 2 and 6 of the consumer protection rules set forth in Appendix B;
 - (b) By April 1 of each year a copy of the CLC's annual report;
 - (c) On a monthly basis, reports regarding major service outages;
 - (d) Reports required in GO 133-B and GO 152-A; and
 - (e) Such other reports required by the Commission.
- (14) CLCs shall submit all mandated bill insert notices, including notices of basic universal service rate increases, to the Commission's Public Advisor's Office for review and approval, and shall allow the Public Advisor's Office at least five working days to review and approve the proposed bill inserts prior to their issuance to customers.
- (15) CLCs shall deposit customer deposits in a protected, segregated, interest-bearing escrow account subject to Commission oversight.
- (16) CLCs shall inform each new customer, in writing and in the language in which the sale was made, of the availability, terms, and statewide rates of Universal Lifeline Telephone Service and basic service. CLCs shall also provide bills, notices, and access to bilingual customer service representatives in the languages in which prior sales were made.
- (17) Redlining is prohibited and the Commission shall take strong action against any carrier engaging in redlining.

12/20/95

APPENDIX C

Page 13

5. REGULATION OF LECs

A. Incumbent LECs shall have provider of last resort responsibilities in their service areas until the Commission makes a decision on the issue in its Universal Service docket.

6. INTERIM NUMBER PORTABILITY

(The rules on Interim Number Portability (INP) will be issued concurrently with the Commission's decision adopting INP rates.)

7. INTERCONNECTION OF LEC AND CLC NETWORKS
FOR TERMINATION OF LOCAL TRAFFIC

A. The interconnection of LEC and CLC networks for the termination of local traffic involves not only the construction and maintenance of the interconnecting facilities, but also the throughput of local terminating traffic across those interconnecting facilities. Local exchange networks shall be interconnected so that customers of any local exchange carrier can seamlessly receive calls that originate on another local exchange carrier's network and place calls that terminate on another local exchange carrier's network without dialing extra digits.

B. In the interim, local traffic shall be terminated by the LEC for the CLC and by the CLC for the LEC over the interconnecting facilities described in this Section on the basis of mutual traffic exchange. Mutual traffic exchange, also known as "bill and keep," means the exchange of terminating local traffic between or among CLCs and LECs, whereby LECs and CLCs terminate local exchange traffic originating from end users served by the networks of other LECs or CLCs without explicit charging among or between said carriers for such traffic exchange.

C. Bill and keep rules apply to all local calls (including calls within a 12 mile radius and EAS and ZUM Zone 3) between a